



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 18, 2004

### **H.R. 5134**

**A bill to require the prompt review by the Secretary of the Interior of the long-standing petitions for federal recognition of certain Indian tribes, and for other purposes**

*As ordered reported by the House Committee on Resources on September 22, 2004*

### **SUMMARY**

H.R. 5134 would require the Department of the Interior (DOI) to process and settle certain petitions for official recognition of Indian groups by the federal government. The bill would mandate that the department respond to all 10 eligible petitions within one year of its enactment. Based on information from the Office of Federal Acknowledgment (OFA), CBO expects that the current staff of this office is insufficient to meet that deadline. Assuming that the department hires enough new staff to respond to all eligible petitions as rapidly as feasible, CBO estimates that implementing H.R. 5134 would cost \$12 million over the 2005-2009 period, subject to appropriation of the necessary amounts.

H.R. 5134 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 5134 is shown in the following table. The costs of this legislation fall within budget function 450 (community and regional development).

	By Fiscal Year, in Millions of Dollars				
	2005	2006	2007	2008	2009
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Estimated Authorization Level	2	5	5	0	0
Estimated Outlays	2	5	5	0	0

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that the bill will be enacted near the beginning of 2005 and that DOI would attempt to comply with the deadlines in the bill.

Indian tribes may currently be recognized by the federal government through an act of Congress, DOI administrative procedure, or a decision by a United States court. The usual route to federal recognition is through DOI's administrative process. Federal recognition of an Indian group entitles the group to participate in programs operated for the benefit of Indians, mostly by the Bureau of Indian Affairs (BIA) within DOI. It also creates a government-to-government relationship between the tribe and the federal government.

### **Administrative Federal Recognition**

Numerous tribes are currently at various stages in the administrative process to petition for federal recognition. Ten of those petitions would be covered by the provisions of this bill and would each require both a proposed finding and a final determination of the group's status.

Regulations governing the federal acknowledgment process require a minimum comment period of at least eight months following delivery of a proposed finding. After that, they allow the department 60 days to issue a final determination. Within BIA, OFA reviews and recommends findings on petitions by interested Indian groups for federal recognition. The office currently employs 11 staff members, including three teams of petition researchers, and has recently issued finding at a rate of roughly two proposed findings and three final determinations per year.

H.R. 5134 would require DOI to complete all proposed findings within six months of enactment and to complete all final destinations within one year. Because the current regulations require eight months between delivery of a proposed finding and preparation of

a final destination, CBO expects that the department probably would be unable to comply with the deadlines in the bill even with additional resources. In that event, the affected tribes could pursue judicial recognition as they may under current law.

To properly evaluate the 10 petitions as expeditiously as possible, the department would need additional personnel. (Such personnel might be a combination of federal and contractor employees.) Based on information from DOI, CBO estimates that OFA would need the equivalent of about 60 personnel for roughly a two-year period to process all eligible petitions. CBO estimates that the additional staff would cost \$12 million over the 2005-2007 period, subject to appropriation of the necessary amounts.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 5134 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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